

APPENDIX 1

White Paper: InfoSeer Audio Scan Techniques

This paper is intended to summarize the capabilities of the audio scan technique developed at InfoSeer and provide a description of the algorithm.

The audio scan technology relies on two proprietary algorithms:

- Scan Data Production – Used to produce a tag data structure for a given audio source
- Scan Data Compare – Used to compare two tag data structures and produce a ‘percent match’ value

Scan Capabilities

The scan algorithm provides the following functional features:

- Level Shift Insensitive – If the same source is presented at two different volume levels, it should be recognized as such (equal).
- Stereo ‘Balance’ Insensitivity – Stereo sources are recognized independent of the direction (left and / or right channel) of the source data.
- Ignore Leading ‘Quiet’ Data – This feature waits for the input level to exceed a fixed value before actual processing begins. (The fixed threshold is very low and is intended primarily to ignore blocks of leading samples that are near zero level. It is likely that these blocks are artifacts produced by the software used to store the original data.)

- Time Shifting Insensitivity – If someone were to remove the first n seconds from a song we can still recognize that song as long as n is less than around 5.0 seconds.
- Time Compression Insensitivity – Radio stations sometimes transmit time compressed audio so that they can have more time for commercials. I'm guessing the industry standard is around 15% compression (85% of the original). In limited testing it was determined that we could support this by producing a scan of the compressed source using a section size that is 85% of the original (e.g., if the uncompressed original is scanned using a 30.0 second section size, a scan of the 15% compressed version with a 25.5 second section time will match the original).
- 'Whole Source' Option – When this is enabled; the available source is scanned once to determine its length in time. Then the section time is computed using the specified number of sections ($\text{section time} = (\text{whole source time} - \text{leading quiet time}) / \text{number of sections}$) so that when a second pass is made the whole source (minus the leading quiet data) is used to compute a tag. This option is appropriate for the case where the source is available in its entirety (e.g., local file or URL, not a streaming source) and a higher degree of recognition is desirable and possible (e.g., InfoWatch).

Scan Data Production Parameters

We developed a flexible audio scanning algorithm that allows us to choose the following parameters for the scan:

- Section Time – Amount of source (in time) to use for scanning for each section.
This is a real number greater than zero.
- Number Of Sections – Number of source sections to use when computing the scan data. This is an integer greater than zero.
- Points Per Section – Number of scan data points to produce for each section.
Integer greater than zero.

We currently use 30.0 seconds, 1 and 24 for these values in InfoMart.

Scan Production Algorithm

The algorithm operates on 16 bit audio samples (stereo or mono, knowledge of the associated sample rate is required). A FFT (Fast Fourier Transform) size is selected to maintain a desired bin size¹ in the output based on the sample rate.

The input data is down sampled (if possible) then filtered through a low pass filter. This removes noise and other interferences that could affect the accuracy of the result. Also there is statistically little audio data at the higher frequencies. The data is processed with the FFT and the output magnitude data is accumulated in a result vector. Prior to the FFT, a weighting window is applied to the input data. FFT operations can be optionally

¹ 2.691650 Hz / bin, selected for performance reasons based on common sample rate of 44100 Hz for commercial audio. Under certain circumstances a DCT (Discrete Cosine Transform) may be used separately or in addition to the FFT and the results could be summed.

overlapped on the input data by 50% if desired. When all input samples have been processed the section is complete.

This process is repeated for all desired scan sections, producing a separate result vector for each section. Each section result vector is then normalized based on the peak magnitude value over all sections. The specified number of points with the highest magnitude are then selected for each section. Each selected point is stored as a magnitude and frequency pair.

At this point the data is ready for storage or comparison with other scan data.

Scan Compare Parameters

We developed a flexible audio scanning algorithm that allows us to choose the following parameters for the scan:

- Frequency Weight – Amount of “importance” (from 0.0 to 1.0) applied to the frequency value when comparing data points.
- Magnitude Weight – Amount of “importance” (from 0.0 to 1.0) applied to the magnitude value when comparing data points.
- “Fast Track” Ellipse Magnitude – This value is computed from a fixed magnitude and frequency pair that has had the weights described above applied to each associated component. The value is used in a threshold test as described below.

Scan Compare Algorithm

The primary task of the compare algorithm is to compare the two sets of scan data points (referred in the following as scan A and B) created by the scan production algorithm and produce a 'percent match' result.

The first pass of the compare algorithm is to step through each point of scan A (within each section) and find the closest point in scan B using a two dimensional linear distance based on magnitude and frequency. Since there are many more data points available than are needed to achieve a high confidence level for the match, only the closest and high level points are used in the process. This technique further improves the robustness of the detection system.

The influence of each dimensional component (magnitude and frequency) on the distance calculation can be adjusted using weighting values between 0 and 1. This associates a level of 'importance' when comparing of either the magnitude or frequency when comparing data points. The distance values for each point in A is stored in an output array.

Any point in B that was not selected at least once by a point in A (as being closest), is also compared with each value in A to find the minimum distance and stored in the array.

Processing then continues on the output array. If a specified percentage of the values in the output array are below a fixed threshold, these values are used in the final 'percent match' computation. Otherwise, the entire output array is used in the final computation.

For the percent match, the average distance within each section and across all sections is used in the following equation:

$$\text{PercentMatch} = 100.0 - \text{AverageDistance} * \text{MatchScale}$$

APPENDIX 2



The power to secure content in motion

InfoSeer Inc. Response to RIAA/IFPI Request for Information on Audio Fingerprinting Technologies July 2001

InfoSeer, Inc.
6711 Lee Highway
Suite M-2
Arlington, VA 22205
USA
(703) 550-7231
www.infoseerinc.com

Table of Contents

1 Introduction.....	2
2 Logistics.....	3
3 Reference Architecture	3
4 Application Scenarios	3
4.1 Audio Content Tracking and Reporting.....	4
4.2 Internet Audio Content Services	4
4.3 Anti-Piracy Investigation and Enforcement.....	4
4.4 Value Added Services.....	4
5 Technology Documentation Process.....	5
5.1 Phase 1 – Analysis of RFI Responses.....	5
5.1.1 Functional Description.....	5
5.1.2 Description of the Capabilities of the Technology	6
5.1.3 Application Scenarios addressed by the Technology	7
5.1.4 Application Scenarios not Covered by the Technology	7
5.1.5 Complementary Technologies Needed	7
5.1.6 Optimum Evaluation and Testing	7
5.1.7 Technology Road Map.....	7
5.1.8 Product Road Map	9
5.1.9 Intellectual Property.....	9
5.1.10 Circumvention Scenarios	9
5.1.11 Intellectual Property Held	11
5.1.12 Company Details.....	11
5.1.13 Other Information	11
5.2 Phase 2-Discussion, Demonstration and Testing.....	11
6 Miscellaneous	11
6.1 No Obligations.....	11
6.2 Non-Discriminatory Policy.....	11
6.3 IP Considerations	12
6.4 Press.....	12
Appendix A Super Distribution Model.....	12
Appendix B Control of Distribution Architecture	14
Appendix C Patent Overview	Error! Bookmark not defined.
Appendix D Company Overview.....	Error! Bookmark not defined.
Company Overview	Error! Bookmark not defined.

InfoSeer Inc. Response to RIAA/IFPI Request for Information
On Audio Fingerprinting Technologies
July 2001

1 Introduction

InfoSeer Inc., (the Company), is engaged in the development of digital file identification and related technologies, including those for audio files. This document responds to the Request for Information (RFI), issued by the Recording Industry Association of America (RIAA) and the International Federation of the Phonographic Industry (IFPI) and, step by step, attempts to answer all the points raised in the RFI. It also expands on explaining the surrounding technologies, including distribution control and Peer-to-Peer (P2P) commerce, that the Company has developed, or in the case of the latter, is developing.

The Company's technology, as correctly indicated in the RFI, operates on the actual file content and does not alter the file header or the content in any way. Therefore, there are no audibility issues; neither can the files have the fingerprint removed, as they exist only in the Company's secure database. There is no normal access to that database. The audio fingerprinting method, which has unique properties, accuracy and special facilities, and the associated systems, (to be described), are fully developed and are currently operational, portable and demonstrable.

The architectures of the system and sub-systems are created in such a way that allows scalability and versatility so that they can incorporate new audio technologies when they are developed and come into widespread use in the future. Furthermore operating parameters can be adjusted in software, without returning to file sources, so that customization for particular applications is straight forward, and does not need extensive re-work of the programs or databases. Therefore the typical possible applications for the technology, as described in the RFI, are simple to implement. These points will be explained in detail in the appropriate section(s) later.

The Company's total system is agnostic to, and can operate with, other technologies such as Digital Right's Management (DRM) and watermarking.

This activity by the Company arises because of the demand for the control of Intellectual Property (IP) and the associated privacy issues that have been stated by the banking, health, federal, defense, movie, publishing and other industries.

It is fostered by the need for Internet Intellectual Property policies that are a major concern of governments worldwide, as exemplified by the Digital Millennium Copyright Act (DMCA), its critics, and other efforts in the United States (US) and European Commission (EC), amongst others.

The Company is well positioned to address these issues, as many of the staff have previously worked for the Federal Bureau Investigative (FBI), Central Intelligence

09042928 033101
101530 8264560

Agency (CIA), National Security Agency (NSA) and other organizations focused on solving the problem of implementing the highest possible levels of privacy and security. That is one reason why this Company has developed the philosophy and belief that the fingerprinting of files is only one step in the need to protect, and where appropriate particularly for the entertainment industries value add, the proprietary information for the creator or owner of that information. The other issues, and some solutions, outside the direct scope of this RFI, will nevertheless be explained in the appropriate general sections below.

But first, the Company will respond to the audio fingerprinting questions directly raised by the RFI.

2 Logistics

The Company intends to comply with the logistics requirements.

3 Reference Architecture

The Company agrees with and complies with the reference architecture insofar as it concerns the tracking of fingerprints, metadata and file verification core technology methods. However it will be seen that there are several associated “core” technologies that the Company uses that enhance this reference model. As stated in the RFI there are also *applications* that require additional or modified architectures. Enhanced architectures will be described later in this response.

4 Application Scenarios

All the application scenarios stated in the RFI are covered by the technology. Further, the Internet is being “crawled” by “InfoWatch” software (referred to in the Company as a data collector), on a multi-thread basis and about 450,000 results have been obtained in 24 hours using just one T1 connection.

Clearly, this can be further scaled up by duplication of the data collectors and links.

Cease and desist letters are produced automatically with date and time stamp, and there is the facility to let the customer see, check and approve and, if desired, send the letters to the appropriate authority (usually an Internet Service Provider (ISP), electronically. Furthermore, the most offered tracks, or specified artists, are inserted into the letters for the given unauthorized address without human intervention. More details can be given at a later time.

There are several existing audio tracking services for broadcast applications that are analog, for example BDS, a VNU company, headquartered in White Plains, New York. The Company’s technology will be able to track broadcasts more accurately over the Internet because of the inherent accuracy of digital transmissions. Furthermore, with “simulcasters” the technology will be able to give near 100% accuracy rather than the 6 hours or so per week sampling methods employed by others. (They sample content at approx. 4% of the total time).

1094223 03101
FOI E.O. 3252450

4.1 Audio Content Tracking and Reporting

- a) The Company is already monitoring and compiling reports and charts of Internet P2P usage on Napigator, Gnutella, Bearshare, and File Transfer Protocol (FTP), sites. These are being used by several organizations.
- b) Airplay/netplay monitoring and charts are not being issued at this time, it is a simple matter to organize however and the Company's particular interest is to see if webcasters are complying with the DMCA rules governing the frequency transmission of a given song in a specified period

4.2 Internet Audio Content Services

The Company has created an additional database that is associated with the fingerprint and meta-data

Database shown in the reference architecture. This database contains authorization "Rules" and can be dynamically updated with the content owner's intentions. It uses information concerning track identities, Internet Protocol addresses and port numbers and if necessary, the whereabouts of the relevant files.

4.3 Anti-Piracy Investigation and Enforcement

The RIAA is in possession of InfoSeer's system for anti-piracy and CDR activities. It basically works by checking the "fingerprint" database when a suspect CD or CDR is played in a coupled computer and verifies whether the sample CDR is known as a member's recording or not. Thus, a suspect pirated object can have the tracks authenticated. Clearly, the system can be used to authenticate master recordings at CD plants and for repertoire analysis and Internet authentication, which is also currently enabled and in use.

- a) Suspect recordings are being verified
- b) Repertoire is being analyzed and identified
- c) Masters can be screened
- d) Internet transmissions are being identified

4.4 Value Added Services

The Company does not have extensive databases about the ancillary or meta-data concerning tracking intelligence. It relies on the many other such databases that exist in the market places. Such as the RIAA's, Gracenote's, Muze, Soundscan and others from the Labels. Our purpose is to definitively identify the content and relate its accuracy to existing available knowledge about the content. (With technology that can do something about it).

- a) The Company requires access to external databases to provide meta-data after a track has been identified using the fingerprint and associated title and artist.

FOI b2 b7D b7E b7F

- b) A major development that is underway in the Company is to enable the commercial monetization of streaming and downloads of content with, promotion and other services. Systems built by the Company can also be organized to insert advertising, hot links etc. into a comprehensive infrastructure. The system prevents unauthorized transfer of legally obtained content, but at the same time allows and monetizes P2P transfers so that value added services can be offered. These value added services include, guaranteed file quality and download speed, multiple price points, line busy indications and availability, facilities that will encourage the users to use the service. The resulting transaction analysis and payments can be apportioned to copyright holders and artists in a completely automatic way. These technologies are discussed later in the next sections.
- c) Special promotions and incentives are already built into the overall architecture and are operational and demonstrable today.

5 Technology Documentation Process

The Company is in total agreement with, welcomes the opportunity to, and will comply with the stated phases indicated in points 1 and 2.

5.1 Phase 1 – Analysis of RFI Responses

5.1.1 Functional Description.

The technology takes an integrated spectral analysis with a combination of FFT's and/or DCT's spaced at 90 degrees to avoid raised cosine nulls and generates frequency and amplitude vectors, ignoring the imaginary component to avoid circumvention by all pass group delay and a/d and d/a networks. The obtained vectors are subtracted to give an ellipse of uncertainty about each resultant. This important point will be shown to be very useful later. Many of the most dominant vectors are used in the fingerprint and are logged. However, all must not need to be matched. (This is important for certain anti-circumvention measures.) The analysis lasts for 30 seconds but this time is arbitrary and in practice has been found suitable for the necessary accuracy. This duration is not definitive in that "fingerprints" can also be obtained for less time than this and also analysis can occur for the whole music file (or track) where available.

- The vectors are normalized for amplitude so simple changes in gain are irrelevant. They can also be normalized against frequency but this has not been implemented, as it has not been found necessary in practice.
- The content of the database can process the results in a variety of ways using only software methods if proved necessary.

09042928 "03101
T01E00" 82624660

- The availability of an excess of information about the track enables several anti-circumvention facilities to be described later.

An important point is the ability to adjust the track identification technique in the following way. The ratio of false negatives to false positives can be adjusted in software without resort to the original music file. This is important for many reasons. The Company estimates with the currently adjusted identification criteria that false positives, i.e. files that are found to be copyrighted but are actually in the public domain is about one in ten billion. False negatives, in that those files that should be found as copyrighted but are missed is about one in one thousand. As already stated clearly the identity vector ellipse for the tracks is adjustable in software and can be made to produce any ratios acceptable to the copyright holder and implied legalities. These results are with a 30-second analysis. For a three minute song completely analyzed these results would be expected to be a factor of about ten higher and lower respectively, (power integration), i.e. about one in a 100 billion false positives and about one in ten thousand false negatives. Because the Company does not have an extensive database of fingerprints, these estimates have to be proven; currently they are based on the mathematics of our file detection and uncertainty criteria coupled with experimental results from about 10,000 tracks.

The file ID is under 400 bytes and with "house keeping" (time, date, title, etc.). The total is about 1 kByte. Thus, one million songs would need a database of about one-gigabyte; this is not a large database to search, which would take approximately one millisecond, (or a few microseconds in a parallel search). Because of the need to search rapidly in the Company's total infrastructure, short versions of the fingerprint of four bytes are used to partition the database so "jump to" commands can be enabled to execute very rapid searches.

5.1.2 Description of the Capabilities of the Technology

Currently, the fingerprint algorithms run in software at about 27 times real time, (including MP3 decoding). This means that for a 30 second sample of a file, the fingerprint can be derived in a little over one second. The Company has calculated that with dedicated DSP's a figure of about 50 times this value is expected. They could also be arranged to be scalable and multi-threaded. As explained later in the total system architecture, it is expected that one system could simultaneously handle 8,000 real time song analyses, i.e. about a T3 total bit-rate (approx. 45Mbits/s), for average good quality MP3 files.

An important point is that originally the Company expected that there would be one different fingerprint of a given song for each bit-rate and version or make of MP3 codec. This would not slow up the database search, because the file header would enable a "jump to" the appropriate section of the database. However, the database would have to be correspondingly larger. In practice this has not been found necessary. One fingerprint works equally well for the tests we have done on three different most popular Codecs and seven MP3 bit-rates from 96kbits/s through 360kbits/s and on up to the CD rate of about 1.4Mbits/s, with no material difference in detection statistics. This is because of our technique of "sounding out" the spectra and dynamics of the spectral content.

An interesting facility is the following: If a track is re-mastered from a given master tape and a fingerprint has been established for the first version of the song.

The Company normally would create two “fingerprints” for such a given (nearly the same), track. Indeed the original identifier will not verify the identity of the second version. However our technology can identify that the second version comes the same identical master tape. This is obtainable by our software without re-using the master, just by running a program on the track’s fingerprints. More detail is explained in the following sections.

All applications specified in the RFI are addressed currently by the technology unless specifically stated to the contrary. Furthermore many scenarios will be described that are not envisaged by the RFI as will become clear below.

The Company does not know of applications not covered by the technology. To obtain fingerprints of all available tracks however, access must be afforded to music tracks and meta-databases, as the Company has not populated its own comprehensive independent database of tracks and metadata.

There are no other technologies needed. However, music and track information is required as detailed in the previous paragraph. The described system is built, operative and in-use today.

It is suggested that the system installed at the Anti-Piracy department at the RIAA is used for tests, since the application scenarios already described are in action, including the web-crawlers for Napigator, Gnutella and FTP sites. Furthermore remote secure access to the information is available from the Company's dedicated (to specific personnel at the RIAA) web site, complete with many layouts of reports for the data. Surrounding technologies developed by the Company are also installed, to be described below.

As stated in the introduction, the Company is developing fingerprints for the following intellectual properties:

Movies and TV, Documents, Legal, Health and Banking records, Books, Pictures, CAD drawings and JPEGs.

Each type of fingerprint has different algorithms and requirements. For example, in the case of movies, the fingerprint must identify various encoding methods such as DVD, MPEG one or two, or identify a movie taken by a camera pointed at a movie screen (that may not be horizontally aligned), or may be black and white instead of color. The Company has nearly completed this activity and can successfully detect such movie conditions.

In another example for documents, it is important that the document is the original and not accidentally or maliciously altered. (Particularly for bank, health or legal records). The fingerprint is robust enough to still identify the original, even if odd paragraphs are missing, but also restore the altered document to its original state unless severely altered, in which case the reader is informed of the situation. It is a vital requirement of Top Secret Documents for example. This work is finalizing in the next few weeks.

The Company's core technologies however are not fingerprinting, which is only an enabler. They are:

- a) Enabling Super Distribution including P2P, with micro payments and various value-add services, and
- b) Control of distribution by router and switch dynamic updates in Internet or Network infrastructures.

The Super Distribution model is under development and will be demonstrable at the end of October this year. This is shown in Appendix A.

Controlling distribution is fully built and operative today and can be demonstrated live on the Internet; (the system is installed at the RIAA). This is shown in Appendix B. Appendix A and B provides the overview diagrams of the architectures.

Control of content on the Internet can be accomplished through ISP's and common carriers. Control of IP in corporations, universities and agencies can be enabled through networks generally, and their vendors, remote offices or embassy's. An important point about distribution control is if an attempt is being made to send content to unauthorized destinations, a database of "rules" is accessed to ascertain the associated file authorization. The rules are set-up by the content owner, and can be dynamically updated at will through interfaces to the databases. In private closed networks, internal addresses are used to ensure content can travel to only specified personnel; traffic to the Internet can similarly be regulated.

The Company can implement the "rules" consistent with the content owner's wishes. Furthermore, as well as redirecting the content or discarding it, messages may be substituted. For example, in an attempted unauthorized P2P music transaction an audible message can be substituted for the music directing the intended recipient to a legally obtainable version of the same song.

Many other marketing activities can be envisaged since the technology is versatile.

Product Road Map

- a) No software development kits are available. The technology does not, and needs not, reside on the desktop for security reasons. There is no general or public access to the databases, or the fingerprinting technology.
- b) No third party intellectual property is known, (in good faith), to be involved. The Company's core fingerprint and associated technologies are believed to be proprietary.

If customization activities are required, for example in the presentation of reports, the Company will undertake this task for the client. However, XML can be used to make searches of the databases for offerings on the Internet. Third party Integrators may be used according to client's needs.

For the purpose of information other conditions may apply to non-audio applications that are not the direct concern of this RFI.

5.1.9 Intellectual Property

5.1.10 Circumvention Scenarios

The Company's philosophy is two fold:

- a) ***Circumvention Via Methods affecting Audio Quality.*** These circumvention methods would affect audio quality in some way as to render the track un-enjoyable and only at that point is it not identifiable:
 - ***Cutoff/Reversals.*** The method is independent of cutoffs at the beginning and/or the end of the file and against reversals of file transmission. If the file is completely scanned then only 25 seconds of the relevant file (whose duration may be 3 to 5 minutes), is needed for detection, played forwards or backwards with up to one minute cut-offs.
 - ***Gain Changes.*** Gain changes are normalized in the fingerprint for amplitude and are therefore irrelevant.
 - ***Frequency Changes.*** Frequency changes, as opposed to transmission speeds, are not found. They would necessitate bit rate converters and false file headers. Normalization against such frequency changes is easy but not currently implemented, as they have not been proven necessary. It is likely that such techniques would produce considerable sound quality degradation for compressed files. Transmission speeds are irrelevant as they are handled simply by accumulating and counting packets and samples.

0942928-103101

- **Added Noise.** Noise has to be added to high levels to defeat the method, since the frequency bin size is 2.4 Hz and integration is used. Such noise levels would destroy the aural enjoyment of the music.
- **Group Delay Variations.** Group delay variations (a/d, d/a or all-pass networks) are irrelevant to the methodology and tracks are therefore easily detected. (As already mentioned, only the real components of vectors are used in the fingerprint.)
- **Re-mastered.** Re-mastered equalization from one given master requires a new fingerprint. Therefore, it may be several fingerprints, all of which identify the same song. However, by taking the second differential of the integrated FFT and InfoSeer's other math algorithms, the one original master for several versions can be definitively identified. It employs the technique of identifying the music dynamics that remain essentially unchanged after re-mastering, if they originate from the same studio master. (This is because studio changes in equalization, even while the track is being played, occur at low or subsonic frequencies and these are ignored by the fingerprinting method.) The Company has enabled master confirmation successfully on several re-mastered releases from the same master tape and hence, confident of the acoustic principles behind the technique. This is important to supplement legal identification and action.
- **New Codecs.** When new Codecs are developed in the future only a software program is needed to generate a second generation of fingerprints to identify the existing tracks in the databases. This process therefore will not be manually intensive.

- b) **Circumvention methods not widely known.** The circumvention method is difficult or not widely known, it is therefore, less financially damaging to the copyright holder. If it reaches such popularity that legal methods can prevent its widespread use, it would also be known to the Company that can then employ the appropriate and renewable detection and analysis methods.

The Company, because of the tremendous versatility of hackers, continues to test several circumvention scenarios and will continue to test and validate the robustness of the technology to a number of common hacker attacks.

The most important anti-circumvention facility is centered round the technology architecture, in that the fingerprinting method is not on the desktop or available to the normal user. The client accesses the system to add and modify the rules database and they are subject to conventional security techniques.

A clear circumvention technique is encryption. Encrypted files can be fingerprinted. If these are widely distributed then the Company will also be cognizant of them. If not then

0994928-0840
T07E80" B2624660

the unauthorized offering and distribution will be on a one or two off basis and therefore not be a large loss to the owner of the content. In a private network this information will be available or encrypted files can be controlled irrespective of content.

5.1.11 Intellectual Property Held

IP is believed to be proprietary particularly concerning total system architecture beyond that required by this RFI. Several Router and network infrastructure manufacturers have been approached to license the manufacture of hardware for future "content intelligent" systems. We would expect that if these negotiations are as successful as they currently seem to be then the IP is defendable and enabled.

5.1.12 Company Details

5.1.13 Other Information

The Company is negotiating with several Federal agencies, other IP Associations, Corporations, ISP's and Integrators at this time for audio, film, documents and other Intellectual Property identification and protection. The control and monetization of digital content for the mass market is the most developed at this time and the Company is most interested in its facilitation. Therefore we enthusiastically want to pursue this RFI for our mutual benefit and would welcome input from the representatives of the music industry.

5.2 Phase 2-Discussion, Demonstration and Testing

The Company is pleased to respond to any further discussions, clarifications and demonstrations indicated in points 1 through 3 of this paragraph. The Company will attempt to verify the statements made in this RFI, which have been made in good faith.

6 Miscellaneous

6.1 No Obligations

The no obligation provision is completely understood and agreed with, except those obligations concerning non-disclosure undertaken in the NDA document particularly about proprietary secrets. The Company similarly undertakes no obligations in this response to the RFI except as provided by the NDA.

6.2 Non-Discriminatory Policy

This policy is completely understood and agreed with. While the Company would prefer its technology to be recommended and further, used, it understands and agrees with the policies that the RIAA and IFPI are acting under and realizes the constraints of this provision. It is willing to undergo any in depth analysis that will enable the RIAA and IFPI to make a meaningful value judgement of the presented technology and system(s).

6.3 IP Considerations

The Company welcomes the opportunity to review the report of their own technologies so that any omissions or exceptions can be stated and amplified before the report is distributed. Such comments will be supplied in a timely manner, after the draft report is supplied by the RIAA and IFPI to the Company. The Company welcomes this provision and understands that the Associations have their members to protect.

6.4 Press

The Company does not wish any press statements to be issued; neither will it issue any publicity statement, with out the express written permission or granting of request from both parties expressly involved with this RFI. If such permission is granted then both parties must agree the text of the press submission before it is transmitted.

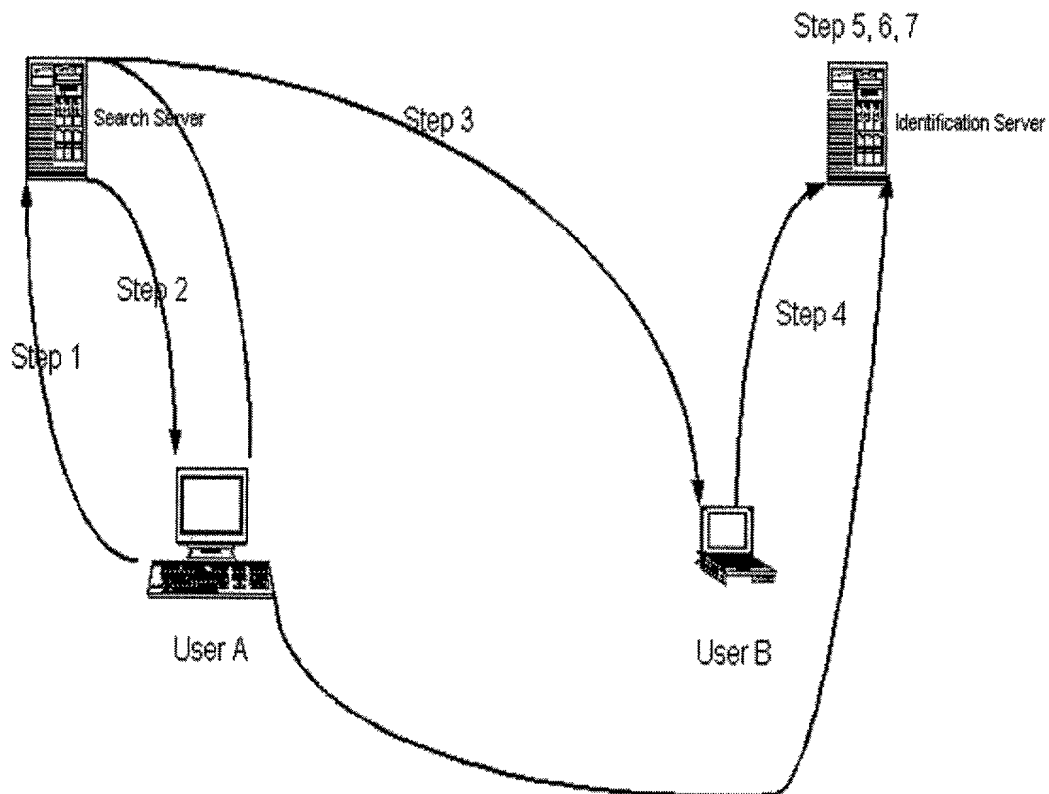
Appendix A Super Distribution Model

FOI b7D b7C b7E b7F b7G b7H b7I b7J b7K b7L b7M b7N b7O b7P b7Q b7R b7S b7T b7U b7V b7W b7X b7Y b7Z

InfoSeer Private and Confidential

P2P Micropayment Process

1. User A Searches for an Artist, Album or Title.
2. User A receives search results.
3. User A tells User B that he/she wants to download a Song.
4. Both users connect to the Identification Server.
5. User B uploads the music to User A through the Identification Server.
6. The Identification Server recognizes the file using our fingerprinting technology.
7. User A is charged via micropayment system.



Appendix B Control of Distribution Architecture

